

Message Text

CONFIDENTIAL

PAGE 01 STATE 216100

11

ORIGIN EB-07

INFO OCT-01 ARA-06 EUR-12 ISO-00 AGR-05 TRSE-00 H-02

COME-00 STR-04 OMB-01 PM-04 NSC-05 SP-02 SS-15 L-03

CIAE-00 INR-07 NSAE-00 /074 R

DRAFTED BY EB/ICD/TRP:PPILKAUSKAS:JMM

APPROVED BY EB/ICD/TRP:PPILKAUSKAS

ARA/ECP:ABERRY

ARA/BR:TSHUGART

USDA/FAS:RMCCONNELL

TREASURY:WQUINN

H:PHSTAHNKE (INFO)

USDA/ERS:TLITTLE (INFO)

COMMERCE:CSHAW (INFO)

----- 062223

R 312205Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

AMEMBASSY MEXICO

AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

INFO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

AMEMBASSY LONDON

XMT AMEMBASSY BUENOS AIRES

AMEMBASSY MONTEVIDEO

AMEMBASSY NASSAU

AMEMBASSY PANAMA

AMEMBASSY PARAMARIBO

AMEMBASSY PORT OF SPAIN

AMEMBASSY SANTIAGO

AMEMBASSY SAN JOSE

C O N F I D E N T I A L STATE 216100

E.O. 11652: GDS

TAGS: EPAP, PFOR, ETRD, EAGR, BR

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 216100

SUBJECT: BRAZILIAN VIEWS ON SUGAR

REF: (A) BRASILIA 7372, (B) MEXICO 10687 (NOTAL)
(C) RIO DE JANEIRO 3190 (NOTAL)

1. DEPARTMENT APPRECIATES EMBASSY REPORTING ON BRAZILIAN VIEWS ON GEPLACEA, THE ISA AND U.S. DOMESTIC SUGAR POLICY.

2. THE FOLLOWING IS SUPPLIED FOR EMBASSY BACKGROUND PURPOSES ONLY.

3. DEPARTMENT OFFICERS VISITING WITH SEVERAL CONGRESSIONAL STAFF MEMBERS AS PART OF BRIEFING BY LONDON BASED COMMODITIES OFFICER USED OPPORTUNITY TO SOLICIT VIEWS ON SUGAR. ONE STAFF MEMBER PRESENT DURING PINHEIRO LUNCHEON STATED CLEARLY THAT ALL PARTIES PRESENT, INCLUDING CONGRESSMAN POAGUE AND HOUSE AGRICULTURE CHAIRMAN FOLEY MADE IT VERY CLEAR TO AMBASSADOR THAT THERE IS PRATICALLY NO POSSIBILITY OF A NEW U.S. SUGAR ACT THIS YEAR, AND ONLY A VERY SLIGHT CHANCE NEXT YEAR. THESE COMMENTS BASED UPON THE FACT THE OLD SUGAR ACT APPROACH HAS A BAD REPUTATION IN CONGRESS, URBAN AND SUBURBAN CONGRESSMEN WOULD HAVE DIFFICULTY JUSTIFYING A PRICE SUPPORT EFFORT TO THEIR CONSITUTENTS,

AND THE RECOLLECTION AMONG INDUSTRIAL USERS AND CONSUMERS THAT THEY PAID UP TO 64 CENTS PER POUND FOR SUGAR IN 1974. IT WAS POINTED OUT THAT SOME HEARINGS MIGHT BE HELD AND SOME ACTION MIGHT BE CONSIDERED IN LATE 1977.

4. SOME SEGMENTS OF THE U.S. SUGAR INDUSTRY ARE ALREADY PRESSING FOR ACTION IN LIGHT OF THE RECENT PRICE DECLINES. THESE AND OTHER INDUSTRY GROUPS HAVE ALREADY BEGUN TO TAKE A SERIOUS LOOK AT THE PROSPECTS FOR A NEW ISA, INCLUDING WHAT THE U.S. SUGAR INDUSTRY MIGHT LIKE TO SEE IN A NEW AGREEMENT. THE INTEREST IS REINFORCED BY THE MINIMAL CHANCE OF A NEW UNILATERAL U.S. LEGISLATION AND THE LOWER PREVAILING PRICE.

5. THE U.S. HAS REPEATEDLY EXPRESSED ITS WILLINGNESS TO PARTICIPATE IN NEGOTIATIONS FOR A NEW ISA. WE HAVE BACKED
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 216100

UP OUR STATEMENTS BY PARTICIPATION IN SEVERAL PREPCOMS AND PLAN TO CONTINUE OUR PARTICIPATION IN FUTURE PREPCOMS. THIS ACTION IN ITSELF DEMONSTRATES A U.S. INTEREST IN THE WORKINGS OF THE ISA.

6. FOR BRAZIL POSTS. U.S. SUGAR TRADE SOURCES INFORM DEPARTMENT THAT BRAZILIAN AUTHORITIES HAVE CALLED A SEPTEMBER 1, 1977 MEETING TO DISCUSS A POLICY OF WITH-

DRAWAL FROM THE SUGAR MARKET FOR 6 MONTHS. THIS NEW REPORT INDICATES THE DOMINICAN REPUBLIC, COLOMBIA, PERU AND ARGENTINA ARE INVITED TO ATTEND. THE INFORMATION FURTHER NOTES BRAZILIAN DISSATISFACTION WITH GEPLACEA AND MEXICAN-CUBAN DOMINANCE IN THAT GROUP. NEITHER CUBA NOR MEXICO ARE SUPPOSEDLY INVITED TO THE SEPTEMBER MEETING IN BRAZIL. SINCE THIS IS AN UNCONFIRMED REPORT, ANY INFORMATION BRAZIL POSTS MIGHT OBTAIN ON SUCH A MEETING, IF HELD, WOULD BE USEFUL. ROBINSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, POLICIES, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 31 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE216100
Document Source: CORE
Document Unique ID: 00
Drafter: PPPILKAUSKAS:JMM
Enclosure: n/a
Executive Order: GS
Errors: I
Film Number: D760331-0389
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976081/aaaaaaos.tel
Line Count: 124
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 BRASILIA 7372, 76 MEXICO 10687, 76 RIO DE JANEIRO 3190
Review Action: RELEASED, APPROVED
Review Authority: coburnhl
Review Comment: n/a
Review Content Flags:
Review Date: 24 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 MAY 2004 by BoyleJA>; APPROVED <08 SEP 2004 by coburnhl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BRAZILIAN VIEWS ON SUGAR
TAGS: EPAP, PFOR, ETRD, EAGR, BR, US, GEPLACEA
To: BRASILIA MEXICO RIO DE JANEIRO MULTIPLE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006